GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

HOME DEPARTMENT- Attachment of Properties – Authorization to Additional Superintendent of Police, Crime Investigation Department, Investigation Officer in Cr. No. 21 of 2024 on the file of CID P.S, Mangalagiri to file an application before the Special Judge for Trial of SPE and ACB Cases cum III Additional District and Sessions Judge, Vijayawada seeking attachment of properties under Section 3 of the Criminal Law Amendment Ordinance, 1944 (Ordinance No. XXXVIII of 1944) - Orders - Issued.

HOME (GENERAL-A) DEPARTMENT

G.O.MS.No. 99 Dated: 30-06-2025

Read the following

1. G.O.RT.No. 262, General Administration (SC.D) Department, dated 05.02.2025
2. From the Director General of Police, Andhra Pradesh**,** Mangalagiri,, C.No. 1475/L&O-II/2025, dated 28.06.2025.

O R D E R:

Whereas in the letter 2nd read above, the Director General of Police, Andhra Pradesh has stated that a case *vide* Cr. No. 21/2024 u/s. 409, 420, 120 (B), R/W. SEC. 34 & 37 OF IPC, SEC. 7, 7A, 8, 13(1)(b)&13(2) of Prevention of Corruption Act, 1988 on the file of CID P.S., Mangalagiri against several accused regarding their participation in the illegalities that were committed by them in the implementation of the Excise Policy in the State of Andhra Pradesh during the year 2019-2024 particularly regarding the adoption of manual issuance of OFS to promote certain brands of liquor; abnormal increase of prices of certain brands; receipt of commissions/kickbacks from the distilleries etc. and also regarding several decisions taken by the public officials to cause undue pecuniary advantage to several individuals and entities. He further stated that during the course of investigation into the above case, it was revealed that the cash to a tune of Rs**.** 8,36,73,000/- was initially seized on 19.05.2024 at Garikapadu Checkpost, Chillkallu P.S. during General Elections-2024 and subsequently FIR No. 171/2024 on the file of Chillakallu P.S was registered to investigate into the seizure of the huge amount of cash. However, during investigation into Cr. No. 21/2024 by the SIT officials constituted *vide* GO first read above, one Mr. Giribabu (LW-162) was examined U/s. 183 BNSS and it was revealed that under the instructions of Mr. Chevireddy Bhaskar Reddy (A-38), LW-162 and other accused such as A-36 and A-37 were transporting cash to a tune of Rs. 8,36,73,000/-. LW-162 further stated that the cash was handed over by A1, A8 and A30 to A-38 for the purpose of distributing the cash to voters during the General Elections-2024. Therefore, it was requested that the cash to a tune of Rs. 8,36,73,000/- should be attached in the present crime. Secondly, during the course of investigation it was revealed that Kasireddy Rajashekhar Reddy (A-1) has established a company named M/s. ADAN Distilleries Pvt. Ltd in November of 2019 and he acted in collusion with the other accused to ensure that APSBCL would give Order for Supply (OFS) regularly. Despite being a newly established company with no distillery of its own, the company has made a turnover of Rs. 800 crores during 2019-2024. Huge amounts from ADAN distilleries Pvt. Ltd have already been transferred at the instance of A-1 and A-7. Therefore, it was requested to attach the Bank Account No. 00400502352, ICICI Bank, Madhapur Branch, Hyderabad belonging to ADAN Distilleries Pvt. Ltd.

2. During the course of investigation, Call Data Records of A-38 and his associates were analysed and it shows that they were in constant communication from October of 2023 with A-1 and his associates. In fact, based on CDR/location analysis, it was revealed that 74 locations across the State of Andhra Pradesh and Telangana have been

identified wherein A-1 and his associates have been present at the same place along with A-38 and his associates. Based on witness statements, it is revealed that one Mr. Simon and one Mr. Pronnoy Prakash used to hand over cash on behalf of A-1 at various locations which have been identified using CDR Analysis. Further, one of the witness in his statement U/s.183 BNSS has specifically pointed out locations in Hyderabad and Tadepalli wherein cash was handed over by A-1 and his associates. The CDR/Location analysis of the said locations points to the fact that the accused had indeed congregated in the said locations to collect and transport cash. During one such transportation trip, the accused have been caught on 19.05.2024 by the Police and cash to a tune of Rs.8,36,73,000/- was seized from them. The said cash was collected in the form of kickbacks received due to the illegalities committed in the implementation of the Excise Policy and as such, there is a need to attach the said cash in the present crime.

3. Further, during the course of investigation, Mr. Kasichanyula Srinivas (LW-113) has stated that he was the Director of Adan Distillery. He further revealed that Kasireddy Raja Shekhar Reddy (A-1) has asked him to incorporate Adan Distillery and other main accused such as A-2 and A-3 will ensure that APSBCL will give the said company OFS. LW-113 further revealed that A-1 had requested him to obtain a loan from 'Aurobindo Company' for the purposes of establishing ADAN distillery. A company named ADAN Distilleries Pvt. Ltd was established around November of 2019. Despite being an unknown company, due to the involvement of A-1 and other accused, ADAN Distilleries has made a turnover of around Rs. 800 crores during 2019-2024. LW-113 was appointed as the Director of the company and still continues to be the Director of the Company.

4. LW-113 further revealed that A-1 had introduced Muppidi Avinash Reddy (A-7) to LW-113 and A-7 was also heavily involved in the business transactions of ADAN Distilleries Pvt. Ltd. With the help of A-7 and other associates of A-1, A-1 had transferred huge amounts received by ADAN from APSBCL to various bank accounts. LW-113 was coerced to continue as Director of the company and sign the documents produced by A-1. In fact, during investigation it was revealed that ADAN Distilleries does not own any distillery, but it had obtained a sub-lease from other distillery to produce a brand named "Supreme Blend". With the help of A-2 and A-3, this brand was heavily promoted by influence of other accused such as A2 and A3 pursuant to which ADAN used to conduct its business. ADAN currently has 16 crores as bank balance and all such amounts were received from APSBCL. Certain amounts which were received as kickbacks, were invested through ADAN into real estate under the agreement that such real estate companies would send back the amounts to ADAN under the guise of returning the Earnest Money deposits. As such the Bank accounts of ADAN which is heavily involved in the present crime have to be attached.

5. During the course of investigation, one Mr. Nallannan Mathappan (LW-80) was examined and his statement was also recorded U/s. 183 BNSS. He detailed the steps undertaken by the accused to obtain complete control over M/s. Leela Distilleries and further how the directors and executives of M/s. SNJ Distillery were forced to send crores of rupees to various other companies in order to financially survive and obtain OFS from APSBCL. Detailed analysis of the transactions of the bank accounts also reveals that the amounts have indeed been transferred. Further, It was revealed that accused had coerced the directors and executives of M/s. SNJ Sugars and Products Ltd. to give authorisation to one Mr. Varun Kumar, who is an associate of A-1. Through the said authorisation, Varun Kumar was appointed as the 'Head of Operations' (AP)' for M/s. Leela Distilleries Pvt. Ltd and he was further granted cheque power upto Rs. 10 crores. The accused had also coerced the Directors and executives to give another authorisation allowing Varun to open a new bank account.

6. During the course of investigation, it was revealed that around October, 2020 the accused had contacted M/s. SNJ Sugars and Products Ltd. and directed them to pay kickbacks or APSBCL would reduce the OFS quota. However, M/s. SNJ Sugars and Products Ltd. has expressed inability to pay kickbacks in the form of cash. Further, A-1 and his associates have also directed M/s. SNJ Sugars and Products Ltd. to also transfer Rs. 5 crores to an infra company instead of giving kickbacks in the form of cash. The accused have also coerced M/s. EMPEE Distilleries, a sister concern of M/s. SNJ Sugars and Products to also transfer Rs. 5 crores. The takeover of M/s. Leela Distilleries and transfer of crores of rupees from M/s. SNJ Distilleries and its sister concern was solely done as a substitute for kickbacks. As such, the bank accounts of M/s. SNJ Distilleries and M/s. EMPEE Distilleries must also be attached to prevent further transactions or loss of amount involved in the crime.

7. Whereas, based on the investigation done so far, Kassireddy Rajashekhar Reddy (A-1) and his associates specifically Booneti Chankaya @ Prakash (A-8) and Paila Dileep (A-30) have been involved in collecting cash from the distilleries and on instructions of A-1, some of the said cash was handed over to Cherukuru Venkatesh Naidu (A-34), Balaji Kumar Yadav (A-35), Eddala Naveen Krishna (A-36) and Harish (A-37) who were acting under the instructions of Chevireddy Bhaskar Reddy (A-38) and Cheviredddy Mohith Reddy (A-39). A-38 and his associates have utilised the cash generated from the illegal activities of the accused.

8. Whereas, the investigation done so far, establishes the role played by the accused and the properties mentioned in Annexure I-IV have been generated through the commission of the crime or have been used to transfer the proceeds of crime. The investigation done so far, Attachment proposals by the SIT have been vetted by Legal Team. The Director General of Police has requested the Government to issue orders for attachment of the cash in Annexure I and bank accounts in Annexure II-IV, under the provisions of Criminal Law Amendment Ordinance, 1944 for preventing the disposal or concealment of the ill-gotten wealth procured by committing the offences under Section 409, 420, 120 (B), R/W. SEC. 34 & 37 OF IPC, SEC. 7, 7A, 8, 13(1)(b)&13(2) of Prevention of Corruption Act, 1988 and to authorise the Additional Superintendent of Police, CID, Investigation Officer in Cr. No.21/2024 on the file of CID P.S., Mangalagiri for filing the an application for the same before the Special Judge for Trial of SPE and ACB Cases cum III Additional District and Sessions Judge, Vijayawada for taking further action in the case.

9. The Government after careful examination of the matter hereby authorize the Investigation Officer under Section 3 of the Criminal Law Amendment Ordinance, 1944 (Ordinance No. XXXVIII of 1944) for attachment of the cash as shown in Annexure I and bank accounts as shown in Annexure II, III & IV to this order, for preventing the disposal or concealment of the ill-gotten wealth acquired by the accused by means of the offences under Sections 409, 420, 120 (B), R/W. SEC. 34 & 37 OF IPC, SEC. 7, 7A, 8, 13(1)(b)&13(2) of Prevention of Corruption Act, 1988.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

KUMAR VISHWAJEET
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Director General of Police, Andhra Pradesh, Mangalagiri.
Copy to:
The OSD to Hon'ble Minister for (Home).
SF/SC

// FORWARDED: BY ORDER//

SECTION OFFICER

(Annexures to G.O.Ms.No.99, Home(General-A) Department, Dated:30-6-2025)

ANNEXURE – I

Sl.No.	Details of the Property	Value of the Property
1.	5 Trunk boxes in the safe custody of Asst. Treasury Officer, Vijayawada (East) entered as Item No. 157 of 24-25 on 09.05.2024.	Rs. 8,36,73,000/-
	Total Rs. Rs. 8,36,73,000/- **(Eight Crore Thirty Six Lakhs Seventy Three Thousand Rupees Only)**	

ANNEXURE – II

Sl. No.	Details of the Property	Value of the Property
1.	Account Holder: ADAN Distilleries Pvt. Ltd. Bank Account No.00400502352, ICICI Bank, Madhapur Branch, Hyderabad. IFSC Code- ICIC0000040. Current Account- Bank Account No.00400502352 Balance:10,06,30,460/- FD Accounts: 1) 004013117038-Rs.2,50,950/- 2)004013112428-Rs.2,50,501/- 3)004010147073-Rs.5,88,77,523/- 4)004013109652-Rs.3,83,848/- 5)004013113722-Rs.8,38.962/-	Rs. 16,12,32,244/-
	Total Rs. 16,12,32,244/- **(Sixteen Crore Twelve Laksh Thirty Two Thousand Two Hundred and Forty Four Rupees Only)**	

ANNEXURE – III

Sl.No.	Details of the Property	Value of the Property
1.	Account Holder: SNJ Sugars and Products Bank Account No. 32626200694, SBI Commercial Branch, Chennai. IFSC Code- SBIN0007347	Rs. 5,00,00,000/-
	Total Rs. 5,00,00,000/- (Five Crore Only)	

ANNEXURE –IV

Sl. No.	Details of the Property	Value of the Property
1.	Account Holder: EMPEE Distilleries Ltd. Bank Account No. 39872166748, SBI Commercial Branch, Chennai. IFSC Code- SBIN0007347	Rs. 50,00,000/-
	Total Rs. 50,00,000/- **(Fifty Lakhs Rupees Only)**	

KUMAR VISHWAJEET
PRINCIPAL SECRETARY TO GOVERNMENT

// FORWARDED: BY ORDER//

SECTION OFFICER